



MIZE & HOUSER
COMPANY P.A.

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Elwood, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the City of Elwood, Kansas (the City), as of and for the year ended December 31, 2018, and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting in an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2018, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Matter

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Elwood, Kansas, as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated April 10, 2018, which contained an unmodified opinion on the basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://www.admin.ks.gov/offices/chieffinancial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2018 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2018, on the basis of accounting described in Note 1.

Mike Houser : Company PA

Certified Public Accountants
Lawrence, Kansas

July 18, 2019

CITY OF ELWOOD, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2018

<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Cancelled Encumbrances</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
General Fund:							
General	\$ 110,081	\$ -	\$ 1,009,908	\$ 814,299	\$ 305,690	\$ -	\$ 305,690
Special Purpose Funds:							
Employee Benefit Fund	-	-	65,528	65,528	-	-	-
Special Highway Fund	109,592	-	32,221	32,221	109,592	-	109,592
Bond and Interest Fund:							
Bond and Interest Fund	4,950	-	98,165	103,115	-	-	-
Business Funds:							
Electric Fund	255,707	-	889,260	888,777	256,190	25,118	281,308
Water Fund	[49,462]	-	597,194	619,449	[71,717]	40,213	[31,504]
Sewer Fund	[95,560]	-	226,132	201,718	[71,146]	-	[71,146]
Total Primary Government	335,308	-	2,918,408	2,725,107	528,609	65,331	593,940
Related Municipal Entities:							
Elwood Public							
Housing Authority	41,193	-	140,502	142,846	38,849	-	38,849
Total Reporting Entity (excluding Agency Funds)	\$ 376,501	\$ -	\$ 3,058,910	\$ 2,867,953	\$ 567,458	\$ 65,331	\$ 632,789

COMPOSITION OF CASH:

Farmers State Bank	
Checking	\$ 63,634
Savings	879
Certificates of Deposit	528,969
Pony Express Bank	
Checking	58
Petty Cash	400
Housing Authority	
Pony Express Bank	
Checking	6,095
Savings	10,571
Certificates of Deposit	22,183
Total Cash	\$ 632,789

CITY OF ELWOOD, KANSAS

Notes to the Financial Statements December 31, 2018

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Elwood (City) is a municipal corporation governed by a mayor and a five-member council. These financial statements present the City and its related municipal entity. The related municipal entity is included in the City's reporting entity because they were established to benefit the City and/or its constituents. The discretely presented related municipal entity, the Elwood Housing Authority, has a June 30, 2018, year-end.

The City of Elwood Housing Authority (the Housing Authority) operates the City's housing projects. The Housing Authority can sue and be sued, and can buy, sell or lease real property. Bond issuances must be approved by the City.

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year ended December 31, 2018:

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific regulatory receipts sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Business Fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

CITY OF ELWOOD, KANSAS

Notes to the Financial Statements December 31, 2018

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest fund, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of the notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory basis receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The 2018 budget was not amended.

The statutes permit transferring budgeted amounts between accounts within an individual fund. However, such statutes prohibit management from incurring expenditures in excess of the total amount of the adopted budget for expenditures of individual funds without first following the amendment procedures mentioned in the above paragraph. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which regulatory basis receipts are recognized when cash is received, and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unused budgeted expenditure authority lapses at year end.

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and record reimbursements as a receipt to the fund that received the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting. For the year ended December 31, 2018, the City recorded reimbursed expenses of \$65,119 in the General Fund.

CITY OF ELWOOD, KANSAS

Notes to the Financial Statements December 31, 2018

NOTE 2 - Deposits and Investments

Deposits. K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

Investments. K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices. As of December 31, 2018, the City held no such investments.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has no designated "peak periods." All deposits were legally secured at December 31, 2018.

At December 31, 2018, the City's carrying amount of deposits was \$593,940 and the bank balance was \$723,346. The bank balance was held by two banks, resulting in a concentration of credit risk. Of the bank balance, \$250,058 was covered by federal depository insurance and the balance of \$473,288 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

At December 31, 2018, the Housing Authority's carrying amount of deposits was \$38,849 and the bank balance was \$44,947. The bank balance was held by one bank, resulting in a concentration of credit risk. Of the bank balance, \$44,947 was covered by federal depository insurance.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

NOTE 3 - Long-term Debt

Capital Leases. During the year ended December 31, 2018, the following changes occurred in capital leases:

	Restated Balance January 1, 2018	Additions	Retirements	Balance December 31, 2018	Interest Paid
2017 Ford Police Interceptor	\$ 11,000	\$ -	\$ [8,734]	\$ 2,266	\$ 422
Total	\$ 11,000	\$ -	\$ [8,734]	\$ 2,266	\$ 422

CITY OF ELWOOD, KANSAS

Notes to the Financial Statements
December 31, 2018

NOTE 3 - Long-term Debt (Continued)

Below are the maturities for capital leases as of December 31, 2018:

Year Ending December 31,	Principal	Interest	Total
2019	\$ 2,266	\$ 23	\$ 2,289

General Obligation Debt. The following general obligation bonds were outstanding as of December 31, 2018:

<u>Issue</u>	<u>Date of Issue</u>	<u>Date of Final Maturity</u>	<u>Original Issue Amount</u>	<u>Outstanding Issue Amount</u>
Paid by taxes				
Series 2004	5/20/2004	5/20/2044	\$ 707,000	\$ 579,554
Series 2004B	12/21/2004	12/21/2044	252,000	205,488
Series 2004C	12/21/2004	12/21/2044	210,500	172,463
Series 2008	7/25/2008	7/25/2048	952,000	842,716
Total				\$ 1,800,221

During the year ended December 31, 2018, the following changes occurred in general obligation bonds:

	Balance January 1, 2018	Additions	Retirements	Balance December 31, 2018	Interest Paid
General Obligation Bonds	\$ 1,833,152	\$ -	\$ 32,931	\$ 1,800,221	\$ 81,008

Below are the maturities for general obligation debt as of December 31, 2018:

Year Ending December 31,	Principal	Interest
2019	\$ 34,382	\$ 79,556
2020	35,727	78,143
2021	37,473	76,465
2022	39,125	74,813
2023	40,850	73,088
2024-2028	232,589	336,988
2029-2033	288,794	280,851
2034-2038	358,363	211,294
2039-2043	444,702	124,970
2044-2048	288,216	34,258
	\$ 1,800,221	\$ 1,370,426

CITY OF ELWOOD, KANSAS

Notes to the Financial Statements December 31, 2018

NOTE 4 - Retirement Plans

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rate 8.39% for the fiscal year ended December 31, 2018. Contributions to the pension plan from the City were \$33,059 for the year ended December 31, 2018.

Net Pension Liability. At December 31, 2018, the City's proportionate share of the collective net pension liability reported by KPERS was \$269,643. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup of KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report, including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the KPERS website at www.kpers.org or can be obtained as described above.

NOTE 5 - Interfund Transfers

A reconciliation of transfers by fund type for 2018 follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General Fund	Bond and Interest Fund	\$ 84,586	Bond Covenant
Special Highway Fund	General Fund	32,221	K.S.A. 68-590
Electric Fund	Employee Benefit Fund	<u>65,528</u>	K.S.A. 12-825d
Total		<u>\$182,335</u>	

CITY OF ELWOOD, KANSAS

Notes to the Financial Statements
December 31, 2018

NOTE 6 - Compensated Absences

The City's personnel policy grants employees annual vacation in varying amounts depending on length of service. Annual vacation leave is accumulated at the rate of 10 days after year one; 15 days after year 5; and 20 days after year 10. Any unused vacation leave at year-end is paid out to the employee at the employee's pay rate on December 31. As of December 31, 2018, the liability for this vacation leave policy was \$3,572.

The City's personnel policy also grants employees annual sick leave at a rate of 40 hours after the first year of service. Any unused sick leave is paid out to the employee at the employee's rate of pay on April 1 of the following year. As of December 31, 2018, the liability for this sick leave policy was \$4,425.

NOTE 7 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks of loss with the exception of loss from damage to or destruction of the electrical distribution system, including related lost regulatory receipts. No significant reductions in insurance coverage from that of the prior year have occurred. Settlements have not exceeded insurance coverage for each of the last three years.

NOTE 8 - Other Long-Term Obligations from Operations

Other Post-Employment Benefits. As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2018.

NOTE 9 - Statutory Violations

The Water and Sewer Funds had negative ending unencumbered cash as of December 31, 2018, which is a violation of K.S.A. 10-1113.

Actual exceeded budgeted expenditures in the Electric and Sewer Funds, which is a violation of K.S.A. 79-2935.

NOTE 10 - Related Party Transactions

During the year ended December 31, 2018, the City paid \$7,060 to the grandson of a City Council member for excavating and other services.

CITY OF ELWOOD, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year Budget</u>	<u>Variance Over [Under]</u>
General Fund:					
General	\$ 876,355	\$ 65,119	\$ 941,474	\$ 814,299	\$ 127,175
Special Purpose Funds:					
Employee Benefit Fund	66,385	-	66,385	65,528	857
Special Highway Fund	75,000	-	75,000	32,221	42,779
Bond and Interest Fund:					
Bond and Interest Fund	103,115	-	103,115	103,115	-
Business Funds:					
Electric Fund	874,385	-	874,385	888,777	[14,392]
Water Fund	690,000	-	690,000	619,449	70,551
Sewer Fund	190,775	-	190,775	201,718	[10,943]

See independent auditor's report on the financial statements.

CITY OF ELWOOD, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 519,501	\$ 741,551	\$ 573,196	\$ 168,355
Licenses and permits	807	1,604	1,000	604
Charges for services	1,820	2,520	2,200	320
Fines and fees	145,605	140,182	115,000	25,182
Use of money and property	8,460	16,902	8,000	8,902
Reimbursed expense	55,371	65,119	30,000	35,119
Miscellaneous	26,903	9,809	15,000	[5,191]
Transfers in	-	32,221	-	32,221
Total Receipts	<u>758,467</u>	<u>1,009,908</u>	<u>\$ 744,396</u>	<u>\$ 265,512</u>
Expenditures				
General government	386,161	446,194	\$ 480,000	\$ 33,806
Law enforcement	272,769	238,223	255,000	16,777
Highways and streets	44,164	34,034	55,000	20,966
Animal control	35	439	2,500	2,061
Debt service	40,000	10,823	-	[10,823]
Transfers out	59,495	84,586	83,855	[731]
Adjustment for qualifying budget credit	-	-	65,119	65,119
Total Expenditures	<u>802,624</u>	<u>814,299</u>	<u>\$ 941,474</u>	<u>\$ 127,175</u>
Receipts Over [Under] Expenditures	[44,157]	195,609		
Unencumbered Cash, Beginning	<u>154,238</u>	<u>110,081</u>		
Unencumbered Cash, Ending	<u>\$ 110,081</u>	<u>\$ 305,690</u>		

See independent auditor's report on the financial statements.

CITY OF ELWOOD, KANSAS
Employee Benefit Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for the Year Ended December 31, 2017)

		Current Year		Variance
	Prior Year			Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Transfers in	\$ 59,495	\$ 65,528	\$ 66,385	\$ [857]
Total Receipts	<u>59,495</u>	<u>65,528</u>	<u>66,385</u>	<u>[857]</u>
Expenditures				
General government	59,495	65,528	\$ 66,385	\$ 857
Total Expenditures	<u>59,495</u>	<u>65,528</u>	<u>\$ 66,385</u>	<u>\$ 857</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

CITY OF ELWOOD, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for the Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Intergovernmental	\$ 31,347	\$ 32,221	\$ 32,070	\$ 151
Total Receipts	<u>31,347</u>	<u>32,221</u>	<u>\$ 32,070</u>	<u>\$ 151</u>
Expenditures				
Highways and streets	65,000	-	\$ 75,000	\$ 75,000
Transfers out	-	32,221	-	[32,221]
Total Expenditures	<u>65,000</u>	<u>32,221</u>	<u>\$ 75,000</u>	<u>\$ 42,779</u>
Receipts Over [Under] Expenditures	[33,653]	-		
Unencumbered Cash, Beginning	<u>143,245</u>	<u>109,592</u>		
Unencumbered Cash, Ending	<u>\$ 109,592</u>	<u>\$ 109,592</u>		

See independent auditor's report on the financial statements.

CITY OF ELWOOD, KANSAS
 Bond and Interest Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2018
 (With Comparative Actual Amounts for the Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Taxes	\$ 14,002	\$ 13,579	\$ 14,647	\$ [1,068]
Transfers in	-	84,586	83,855	731
Total Receipts	<u>14,002</u>	<u>98,165</u>	<u>\$ 98,502</u>	<u>\$ [337]</u>
Expenditures				
Debt service	<u>14,002</u>	<u>103,115</u>	<u>\$ 103,115</u>	<u>\$ -</u>
Total Expenditures	<u>14,002</u>	<u>103,115</u>	<u>\$ 103,115</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	-	[4,950]		
Unencumbered Cash, Beginning	<u>4,950</u>	<u>4,950</u>		
Unencumbered Cash, Ending	<u>\$ 4,950</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

CITY OF ELWOOD, KANSAS
Electric Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for the Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Charges to customers	\$ 846,399	\$ 889,260	\$ 820,000	\$ 69,260
Reimbursed expense	5,150	-	50	[50]
Total Receipts	<u>851,549</u>	<u>889,260</u>	<u>\$ 820,050</u>	<u>\$ 69,210</u>
Expenditures				
Personnel	87,024	112,036	\$ 78,000	\$ [34,036]
Contractual	44,415	25,594	50,000	24,406
Commodities	651,857	685,619	680,000	[5,619]
Transfers out	<u>138,215</u>	<u>65,528</u>	<u>66,385</u>	<u>857</u>
Total Expenditures	<u>921,511</u>	<u>888,777</u>	<u>\$ 874,385</u>	<u>\$ [14,392]</u>
Receipts Over [Under] Expenditures	[69,962]	483		
Unencumbered Cash, Beginning	<u>325,669</u>	<u>255,707</u>		
Unencumbered Cash, Ending	<u>\$ 255,707</u>	<u>\$ 256,190</u>		

See independent auditor's report on the financial statements.

CITY OF ELWOOD, KANSAS
Water Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for the Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Charges to customers	\$ 608,920	\$ 597,178	\$ 725,000	\$ [127,822]
Reimbursed expense	11,851	16	5,000	[4,984]
Transfers in	28,365	-	-	-
Total Receipts	<u>649,136</u>	<u>597,194</u>	<u>\$ 730,000</u>	<u>\$ [132,806]</u>
Expenditures				
Personnel	67,231	69,949	\$ 80,000	\$ 10,051
Contractual	48,455	53,204	82,000	28,796
Commodities	536,261	496,296	528,000	31,704
Total Expenditures	<u>651,947</u>	<u>619,449</u>	<u>\$ 690,000</u>	<u>\$ 70,551</u>
Receipts Over [Under] Expenditures	[2,811]	[22,255]		
Unencumbered Cash, Beginning	<u>[46,651]</u>	<u>[49,462]</u>		
Unencumbered Cash, Ending	<u>\$ [49,462]</u>	<u>\$ [71,717]</u>		

See independent auditor's report on the financial statements.

CITY OF ELWOOD, KANSAS
 Sewer Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2018
 (With Comparative Actual Amounts for the Year Ended December 31, 2017)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over [Under]
Receipts				
Charges to customers	\$ 222,187	\$ 225,832	\$ 230,000	\$ [4,168]
Reimbursed expense	-	300	10,000	[9,700]
Transfers in	109,850	-	-	-
Total Receipts	<u>332,037</u>	<u>226,132</u>	<u>\$ 240,000</u>	<u>\$ [13,868]</u>
Expenditures				
Personnel	9,346	11,538	\$ 50,000	\$ 38,462
Contractual	21,469	43,090	35,000	[8,090]
Commodities	129,895	147,090	90,000	[57,090]
Debt service	59,936	-	15,775	15,775
Total Expenditures	<u>220,646</u>	<u>201,718</u>	<u>\$ 190,775</u>	<u>\$ [10,943]</u>
Receipts Over [Under] Expenditures	111,391	24,414		
Unencumbered Cash, Beginning	<u>[206,951]</u>	<u>[95,560]</u>		
Unencumbered Cash, Ending	<u>\$ [95,560]</u>	<u>\$ [71,146]</u>		

See independent auditor's report on the financial statements.

CITY OF ELWOOD, KANSAS
 Related Municipal Entity
 Elwood Public Housing Authority*
 Regulatory Basis
 Schedule of Receipts and Expenditures - Actual
 For the Year Ended December 31, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for service	\$ 106,373	\$ 118,577
Use of money and property	66	-
Miscellaneous	1,181	437
Unallocated difference	<u>-</u>	<u>21,488</u>
Total Receipts	<u>107,620</u>	<u>140,502</u>
 Expenditures		
General government	<u>118,317</u>	<u>142,846</u>
Total Expenditures	<u>118,317</u>	<u>142,846</u>
 Receipts Over [Under] Expenditures	 [10,697]	 [2,344]
 Unencumbered Cash, Beginning	 <u>51,890</u>	 <u>41,193</u>
 Unencumbered Cash, Ending	 <u>\$ 41,193</u>	 <u>\$ 38,849</u>

* - This component unit is not required to be budgeted.